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Report on funds allocated from regular resources to cover overexpenditures for completed projects financed from other resources

Summary

The present report summarizes expenditures in excess of commitments for completed projects financed from other resources for which no additional support has been forthcoming. The amount of $3,835,512 from regular resources will be used to cover these overexpenditures.

* E/ICEF/2009/16.

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Background

1. Executive Board decision 1988/11 H (E/ICEF/1988/13) established the following policy on expenditures in excess of commitments:

> The financial implementation of supplementary-funded programmes should remain within the funded amounts. However, during the implementation, because of exchange rate fluctuations or other price increases that are out of UNICEF control, the resource needs may exceed those of the original project budget. In such cases, the donor(s) will be approached for additional support. If the additional support is not forthcoming, the project will be phased out and any overexpenditure will be allocated from general resources. The secretariat will report each case to the Executive Board specifying the amount in United States dollars, the assisted country to which it relates, and the explanation of overexpenditures.

2. A breakdown, by area or country programme, of expenditures in excess of commitments, totalling $3,835,512, is provided in paragraph 6. The allocation of regular resources for this amount will allow UNICEF to finalize the accounting for other resources for the period to 31 December 2007.

3. Of the total $3.8 million, $2.3 million relates to regular other resources and $1.5 million to other resources for emergencies. A total of $2.8 million is attributable to contributions that have been reduced or cancelled or have decreased in value due to exchange rate fluctuations between pledge and payment dates and $1 million is attributable to primarily price increases out of UNICEF control.

4. UNICEF is aware of its financial management imperative to ensure effective, efficient and economic use of the resources contributed by its donors, and has ensured that financial management policy, procedures and systems minimize risk that expenditures in excess of commitments will be incurred. In recent years, the organization has clarified accountabilities for implementation and monitoring, while enhancing financial reporting. UNICEF makes every effort to avoid expending in excess of commitments, and approaches donors for additional support when such cases arise as a result of the variable environments in which it operates. UNICEF will continue actively to seek to minimize overexpenditures; nevertheless, as noted by the Executive Board, there are factors that give rise to such overexpenditures that are beyond UNICEF control.

5. This latest report on expenditures in excess of commitments demonstrates progress achieved in recent years by UNICEF in the timely management and closure of contributions to other resources. The period between contribution expiry and final accounting activities has, with this report, been reduced to an optimal minimum.

6. The table below indicates the regular resource funding needed to cover expenditures in excess of commitments, totalling $3,835,512 for 51 programmes.

Area/country of assistance/programme	*Overexpenditures (in United States dollars)*
Afghanistan	12 632
Albania	1 269
Angola	168 836
Benin	16 503
Bosnia and Herzegovina	23 716
Brazil	6 984
Burundi	335 728
Cambodia	6 047
Cameroon	4 020
Chad	8 673
Colombia	1 441
Côte d'Ivoire	113 278
Democratic People's Republic of Korea	87 315
Democratic Republic of the Congo	267 335
Djibouti	3 492
Eritrea	1 886
Ethiopia	42 412
Gabon	11 585
Guatemala	8 072
Guinea-Bissau	1 375
Haiti	3 922
India	357 140
Indonesia	3 910
Iraq	4 560
Kenya	527 752
Lebanon	14 878
Liberia	30 572
Madagascar	51 975
Malawi	344 672
Maldives	1 103
Mauritania	1 072
Moldova	4 808
Mozambique	139 414
Myanmar	11 579
Nigeria	6 236
Pakistan	1 019
Peru	2 325
Philippines	4 340
Senegal	7 583

Area/country of assistance/programme	*Overexpenditures (in United States dollars)*
Somalia	5 524
Sri Lanka	53 520
Sudan	75 367
Swaziland	21 067
Tajikistan	5 305
Uganda	254 772
Yemen	2 366
Zimbabwe	43 484
UNICEF Office of Emergency Programmes	392 478
UNICEF Programme Division	108 507
Regional Office for Central and Eastern Europe and the Commonwealth of Independent States	184 259
Regional Office for West and Central Africa	47 404
Total	**3 835 512**